

**UNIFIED SCHOOL DISTRICT NO. 432,  
VICTORIA, KANSAS**

**FINANCIAL STATEMENT  
AND INDEPENDENT AUDITORS' REPORT**

**For the Year Ended June 30, 2015**



**UNIFIED SCHOOL DISTRICT NO. 432  
VICTORIA, KANSAS**

**For the Year Ended June 30, 2015**

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**UNIFIED SCHOOL DISTRICT NO. 432  
VICTORIA, KANSAS**

**For the Year Ended June 30, 2015**

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# GUDENKAUF & MALONE, INC.

## Shareholder

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## Shareholder

James Malone, CPA

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Unified School District No. 432  
Victoria, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District No. 432, Victoria, Kansas, a Municipality, as of and for the year ended June 30, 2015 and the related notes to the financial statement.

### **Management's Responsibility for the Financial Statement**

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note A to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with the standards generally accepted in the United States of America, and the Kansas Municipal Audit and Accounting Guide. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also included evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note A of the financial statement, the financial statement is prepared by the Unified School District No. 432, Victoria, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

**Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis of Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Unified School District No. 432 as of June 30, 2015, or changes in financial position and cash flows thereof for the year then ended.

**Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District No. 432 as of June 30, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note A.

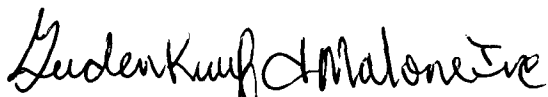
**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the 2015 fund summary statement of regulatory basis of receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget; individual fund schedules of regulatory basis receipts and expenditures-actual and budget; schedule of regulatory basis receipts and expenditures-agency funds; and schedules of regulatory basis receipts, expenditures, and unencumbered cash-district activity funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards



generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

The 2014 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2015 basic financial statement. We rendered an unmodified opinion on the 2014 basic financial statement on November 5, 2014. The 2014 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, at the following link <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. Such 2014 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 comparative information was subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the 2014 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 comparative information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note A.

  
Gudenkauf & Malone, Inc.

November 13, 2015



**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH**

**Regulatory Basis**

**For the Year Ended June 30, 2015**

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>General Funds:</b>							
General	\$ -	\$ -	\$ 2,079,310	\$ 2,079,310	\$ -	\$ 2,398	\$ 2,398
Local Option	-	-	852,509	739,613	112,896	358	113,254
<b>Special Purpose Funds:</b>							
Capital Outlay	316,907	-	338,009	435,937	218,979	145,450	364,429
Driver Training	20	-	-	-	20	-	20
Food Service	15,293	-	230,878	201,214	44,957	-	44,957
Professional Development	-	-	1,000	1,000	-	-	-
Special Education	20,291	-	388,328	349,844	58,775	-	58,775
Vocational Education	-	-	109,721	109,721	-	-	-
Recreation Commission	1,381	-	42,074	37,820	5,635	-	5,635
At-Risk	-	-	98,226	98,226	-	-	-
KPERS	-	-	160,127	160,127	-	-	-
Gift	3,193	-	82,064	77,510	7,747	77,510	85,257
Title I, Title II	-	-	28,231	28,231	-	-	-
REAP	-	-	19,916	19,916	-	-	-
Contingency Reserve	8,746	-	150,691	-	159,437	-	159,437
Athletics	10,196	-	43,943	42,610	11,529	-	11,529
School Projects	9,650	-	21,275	15,531	15,394	-	15,394
<b>Bond and Interest Funds:</b>							
Bond and Interest	<u>706,142</u>	<u>-</u>	<u>428,345</u>	<u>435,045</u>	<u>699,442</u>	<u>-</u>	<u>699,442</u>
<b>Total Reporting Entity (Excluding Agency Funds)</b>	<u>\$ 1,091,819</u>	<u>\$ -</u>	<u>\$ 5,074,647</u>	<u>\$ 4,831,655</u>	<u>\$ 1,334,811</u>	<u>\$ 225,716</u>	<u>\$ 1,560,527</u>
						Money market	\$ 1,391,443
						Checking	192,555
						Petty Cash	4,500
						Certificate of Deposit	<u>15,000</u>
						Total Cash	1,603,498
						Agency Funds Per Schedule 3	<u>(42,971)</u>
						Total Reporting Entity (Excluding Agency Funds)	<u>\$ 1,560,527</u>

The notes to the financial statement are an integral part of this statement.



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

Unified School District No. 432 is a municipal corporation governed by an elected seven-member board. The District has oversight responsibility for other governmental entities (related municipal entities) since the other entities are considered to be controlled by, or dependent upon, the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing boards.

The regulatory financial statement presents the Unified School District No. 432 (the municipality) and does not include the following Related Municipal Entity.

Recreation Commission. USD No. 432 Recreation Commission oversees recreational activities. The recreation commission operates as a separate governing body but the District levies the taxes for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A. 12-1928. The recreation commission cannot purchase real property but can acquire real property by gift.

Regulatory Basis Fund Types

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business fund – funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.).

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Agency fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, student activity funds, etc.).

Basis of Presentation and Basis of Accounting

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The Kansas Municipal Accounting and Auditing Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligation to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The municipality has approved a resolution that is in compliance with K.S.A 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the district for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

Gift Fund, Title I, Title II, REAP, Contingency Reserve, Athletics, and School Projects

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Reimbursements

A reimbursement is an expenditure initially made in one fund, but properly attributable to another fund. For example, it is common for the general fund to pay a vendor's bill and have portions of it reimbursed by other funds. In accounting for such reimbursements, Unified School District No. 432 records an expenditure in the reimbursing fund and a reduction of expenditure in the reimbursed fund, following the authoritative guidance provided under KMAAG regulatory basis accounting.



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Property Tax

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County appraiser annually determines assessed valuations based on real estate transactions recorded by the Register of Deeds and personal property transactions reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Property taxes are assessed on a calendar year basis and become a lien on property on November 1 of each year. The taxes are due one-half on December 20<sup>th</sup> and one-half the following May 10<sup>th</sup>. Any taxes unpaid at the due dates are considered delinquent.

Collection of current year property tax by the County Treasurer is not completed, apportioned or distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current operation of the school district and therefore are not susceptible to accrual.

Undistributed taxes from the prior year levy are recognized as income in the current year. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the audit period and, further, the amounts thereof are not material to the financial statements taken as a whole.

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statute

USD 432 has no cash or budget statute violations.

NOTE C – DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE C – DEPOSITS AND INVESTMENTS - CONTINUED

pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Concentration of Credit Risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during the designated "peak periods," when required coverage is 50%. The District has not designated any "peak periods." All deposits were legally secured at June 30, 2015.

At June 30, 2015, the District's carrying amount of deposits was \$1,603,499 and the bank balance was \$1,678,248. The difference between the carrying amount and the bank balance is outstanding checks or deposits. The bank balance was held by 2 banks resulting in a concentration of credit risk. Of the bank balance, \$462,232 was covered by federal depository insurance, \$1,216,016 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial credit risk-investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

NOTE D – IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$136,356 subsequent to June 30, 2015 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2015.



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE E – INTERFUND TRANSACTIONS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	Contingency Reserve	K.S.A. 72-6428	150,691
General Fund	At Risk Fund	K.S.A. 72-6428	98,226
General Fund	Food Service	K.S.A. 72-6428	1,000
General Fund	Prof Development	K.S.A. 72-6428	1,000
General Fund	Special Education	K.S.A. 72-6428	196,511
Local Option	Vocational Education	K.S.A. 72-6433	109,721
Local Option	Special Education	K.S.A. 72-6433	190,757
Local Option	Food Service	K.S.A. 72-6433	79,590

NOTE F – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS/COMMITMENTS

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Termination Benefits

Unified School District No. 432 has implemented a plan for eligible employees of the District to receive benefits upon making an election to take early retirement. Early retirement is entirely voluntary and at the discretion of an eligible employee. An employee is eligible for early retirement if the following conditions are met:



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE F – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS/COMMITMENTS -  
CONTINUED

1. The employee is currently a full-time employee of the District
2. The employee is eligible for full retirement benefits under KPERS and is not more than 65 years of age.
3. The employee has fifteen years or more of employment service with the District.
4. The employee has twenty years or more of service credit recognized by the Kansas Public Employees Retirement System (KPERS).

It shall be the responsibility of the employee to provide all the facts and information necessary to prove eligibility for early retirement. An employee may apply for early retirement by giving written notice to the Superintendent of Schools on or before the first day of April preceding the anticipated retirement date. Such written notice shall include the following information:

1. A statement of the applicant's desire to take early retirement.
2. The anticipated date of retirement and their date of birth.
3. The number of years applicant has been employed by the school district.
4. The total number of years of service credit recognized by KPERS

Failure to request early retirement by April 1 shall not exclude the candidate, if the Board of Education chooses to give approval, even though the deadline may not have been met.

Following final action on any application by the Board of Education for early retirement, the Superintendent shall notify the applicant in writing of the final disposition.

For certified employees, the amount of payment to the retiree who is 58 years of age or older shall be the equivalent of \$415 per month until the participant reaches the age of 62 years and then \$150 per month from the age 62 to 65 years of age.

If any certified employee chooses to retire before 58 years of age, the payment will be figured in the following manner: Take the amount a person could receive from 58 to 62 years of age (\$19,920) and divide this amount by the number of months from the eligible retirement date until they reach the age of 62 years old. Payment from age 62 to 65 years old will be \$150 a month.

For classified employees, the amount of payment to the retiree who is 58 years old or older shall be the equivalent of \$275 per month until the participant reaches the age of 62 years and then \$100 per month from the age 62 to 65 years of age.



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE F – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS/COMMITMENTS -  
CONTINUED

If any classified employee chooses to retire before 58 years of age the payments will be figured in the following manner: Take the amount a person could receive from 58 to 62 years of age (\$13,200) and divide this amount by the number of months from the eligible retirement date until they reach the age of 62 years old. Payment from age 62 to 65 years old will be \$100 a month.

If death should occur to the participant during this agreement, the Board of Education will honor said agreement to the participant's spouse only for months that would have remained until the participant would have reached the age of 65.

The early retirement benefit shall be payable by the school district in the following manner: The benefit may be applied toward a membership in the school district's health insurance policy, or it may be taken in cash on a monthly basis, or it may be taken as a combination of the two. If any of the payment is to be made in cash, the payment shall be made each month or in a lump sum each year; for one year at a time in the discretion of the Board of Education.

Early retirement benefits paid for the year ending June 30, 2015, were \$10,263. The following is a schedule by years of future payments under the District's early retirement plan for the years ending June 30:

2016	8,412
2017	4,456
2018	4,456
2019	4,235
Thereafter	<u>5,250</u>
Total	\$ 26,809

Compensated Absences

All employees of the District will be paid up to \$38 per day for any unused sick leave days upon retirement, resignation, death, or other reasons for terminating employment. The employee may take this remuneration as: (1) a lump sum, (2) as monthly payments on a health insurance policy carried by the District at the rate of no more than a single premium, if retiring, or (3) it may be applied to the employee's salary in the last year of employment, if retiring, provided the employee has declared their intent by June 1 preceding their last year. In the event the remuneration has not been paid out by the District by the time the employee reaches age 65, the employee will be given the remainder in a lump sum payment. In the event that options (2) or



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE F – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS/COMMITMENTS -  
CONTINUED

(3) above are selected, this policy must meet all legal requirements at the time of separation.

The maximum amount of remuneration one can receive is listed below:

<u>Years of Service</u>	<u>Amount</u>
1 to 10	\$ 13.50 per day
11 to 15	18.75 per day
16 to 20	24.00 per day
21 to 25	29.25 per day
26 to 30	34.50 per day
31 +	38.00 per day

All employees of the District receive 12 days of sick leave each year. The certified employees, principals and the superintendent may accumulate the sick leave to 125 days. The custodians, clerk, and secretaries may accumulate sick leave to 70 days. The cooks and paraprofessionals may accumulate sick leave to 50 days.

The twelve month employees of the District, including Central Office secretaries, custodians, and the school superintendent, are entitled to paid vacations.

The District had employees eligible for compensated absence pay who have accumulated a total of 2,168 unused sick days and 103 days of unused vacation days as of and for the year ended June 30, 2015. The estimated liability of unused sick leave at June 30, 2015 is \$55,504 and the estimated liability for unused vacation at June 30, 2015 is \$12,477.

Operating Lease Agreements

The District leased three copiers from ESSDACK. The lease is non-cancelable with a five-year term. The monthly lease payments are \$172 each. The future minimum rental payments for each year will be \$6,192. The total minimum lease amount will be \$30,960. The remaining payments that the District is responsible for as of June 30, 2015 are \$11,162.

NOTE G – DEFINED BENEFIT PENSION PLAN

Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE G – DEFINED BENEFIT PENSION PLAN - CONTINUED

benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 and K.S.A 74-49,210 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 5% of covered salary for Tier 1 members for January – December 2014 then 6% for January – June 2015 and at 6% of covered salary for Tier 2 members. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

The State of Kansas contributed 12.12% of covered payroll for the school pay dates occurring during period July 1, 2014 to September 30, 2014, 9.5% for the pay dates during October 1, 2014 through March 30, 2015 and 11.91% for pay dates of April 1, 2015 to June 30, 2015.

For the employer rates for school-type municipalities that hire a KPERS retiree, please see the main KPERS site at <http://www.kpers.org/employers/contributionrates.htm>.

The State of Kansas contribution to KPERS for all school municipalities for the year ended June 30, 2015 received as of June 30 was \$350,628,289.

Net Pension Liability. The total pension liability for KPERS was determined by an actuarial valuation as of December 31, 2013, which was rolled forward to June 30, 2014. As of June 30, 2014 the net pension liability for KPERS was \$8,291,794,910. KPERS has determined the District's proportionate share of the net pension liability is \$2,259,916 as of June 30, 2014. The complete actuarial valuation report including all actuarial assumptions and methods is publically available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described in the first paragraph above.



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE H – CLAIMS AND JUDGMENTS

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the district may be required to reimburse the grantor government.

The District is exposed to various risks of loss related to torts, theft, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from the 2014 fiscal year to the 2015 fiscal year and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the District is a party to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material financial impact on the district.

NOTE I – RELATED PARTY TRANSACTIONS

In a governmental entity, related parties include members of the governing body, board members, administrative officials, and immediate families of administrative officials, board members, and members of the governing body. Required disclosures on related party transactions do not include compensation arrangements, expense allowances and similar items incurred in the ordinary course of operations. The following are not required to be reported, but are presented for information only.

	<u>2015</u>
Hays Medical Center	
Troy Schippers, Treasurer	
spouse is an employee	\$2,750



UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2015

NOTE J – SUBSEQUENT EVENTS

The school district refinanced its 2008 general obligation bonds in January 2015 to obtain a lower interest rate. The proceeds of the 2015 general obligation bonds were used to partially pay off the 2008 bonds. The final payment on the 2008 bonds was due and paid in September 2015. At the time of this report, the outstanding balance on the 2008 bonds is zero and the outstanding balance on the 2015 bonds is \$1,711,000.

In July 2015, the board approved the purchase of 50 iPads for \$22,650.

Management has evaluated the effects of the financial statement of subsequent events occurring through November 13, 2015 which is the date at which the financial statements were available to be issued.



**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**

**NOTES TO FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2015**

**NOTE K- LONG-TERM DEBT**

Changes in long-term liabilities for the District for the year ended June 30, 2015, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General obligation bonds:									
Series 2008	5.80%	11/15/08	\$3,500,000	09/01/19	\$2,385,000	\$ -	\$ 350,000	\$2,035,000	\$ 85,045
Series 2015	1.45%	01/16/15	1,721,000	09/01/19	-	1,721,000	-	1,721,000	-
Capital leases payable:									
2010 Blue Bird Bus	4.40%	06/08/09	153,518	06/08/15	23,816	-	23,816	-	1,048
Total contractual indebtedness					<u>2,408,816</u>	<u>1,721,000</u>	<u>373,816</u>	<u>3,756,000</u>	<u>86,093</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	Year					
	2016	2017	2018	2019	2020	Total
Principal						
2008 G.O. Bonds	\$2,035,000	\$ -	\$ -	\$ -	\$ -	\$2,035,000
2015 G.O. Bonds	10,000	427,000	428,000	423,000	433,000	1,721,000
Total principal	<u>2,045,000</u>	<u>427,000</u>	<u>428,000</u>	<u>423,000</u>	<u>433,000</u>	<u>3,756,000</u>
Interest						
2008 G.O. Bonds	39,241	-	-	-	-	39,241
2015 G.O. Bonds	27,239	21,714	15,515	9,345	3,139	76,952
Total interest	<u>66,480</u>	<u>21,714</u>	<u>15,515</u>	<u>9,345</u>	<u>3,139</u>	<u>116,193</u>
Total principal and interest	<u>\$2,111,480</u>	<u>\$ 448,714</u>	<u>\$ 443,515</u>	<u>\$ 432,345</u>	<u>\$ 436,139</u>	<u>\$3,872,193</u>



**UNIFIED SCHOOL DISTRICT NO. 432  
VICTORIA, KANSAS**

**REGULATORY – REQUIRED  
SUPPLEMENTARY INFORMATION**

**For the Year Ended June 30, 2015**



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance- Over (Under)
General Funds:						
General	\$ 2,110,126	\$ (30,816)	\$ -	\$ 2,079,310	\$ 2,079,310	\$ -
Local Option	745,002	(5,388)	-	739,614	739,613	(1)
Special Purpose Funds:						
Capital Outlay	537,557	-	-	537,557	435,937	(101,620)
Driver Training	-	-	-	-	-	-
Food Service	236,476	-	-	236,476	201,214	(35,262)
Professional Development	1,000	-	-	1,000	1,000	-
Special Education	374,342	-	-	374,342	349,844	(24,498)
Vocational Education	112,000	-	-	112,000	109,721	(2,279)
Recreation Commission	37,820	-	-	37,820	37,820	-
At-Risk	109,011	-	-	109,011	98,226	(10,785)
KPERs	200,629	-	-	200,629	160,127	(40,502)
Bond and Interest Funds:						
Bond and Interest	435,045	-	-	435,045	435,045	-
Total budgeted funds	<u>\$ 4,899,008</u>	<u>\$ (36,204)</u>	<u>\$ -</u>	<u>\$ 4,862,804</u>	<u>\$ 4,647,857</u>	<u>\$ (214,947)</u>



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## GENERAL FUND

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
General Property Taxes				
Ad Valorem Property Taxes	\$ 700,662	\$ -	\$ -	\$ -
Delinquent Tax	15,050	-	-	-
Intergovernmental Receipts				
State Equalization Aid	1,075,186	1,879,347	1,898,252	(18,905)
Mineral Production Tax	34,290	3,452	-	3,452
Special Education Aid	196,286	196,511	211,874	(15,363)
Total Receipts	2,021,474	2,079,310	\$ 2,110,126	\$ (30,816)
Expenditures and Transfers Subject to Legal Max Budget				
Instruction				
Certified Salaries	771,980	784,406	852,187	(67,781)
Early Retirement	10,572	6,972	-	6,972
Non-Certified Salaries	40,744	45,642	46,096	(454)
Employee Insurance	205,788	208,508	205,307	3,201
Social Security	60,572	63,110	68,381	(5,271)
Other Employee Benefit	5,036	4,949	6,580	(1,631)
Purchased Professional/Technical Services	4,070	4,898	8,000	(3,102)
Tuition	2,726	1,131	3,000	(1,869)
General Supplies (Teaching)	4,326	9,623	15,000	(5,377)
Textbooks	804	1,844	18,019	(16,175)
Miscellaneous Supplies	24,847	17,708	53,320	(35,612)
Other	642	37	1,000	(963)
Total Instruction	1,132,107	1,148,828	1,276,890	(128,062)
Student Support Services				
Certified Salaries	44,645	47,333	47,333	-
Non-Certified Salaries	32,400	34,200	39,078	(4,878)
Employee Insurance	16,004	15,736	17,268	(1,532)
Social Security	5,520	5,858	6,610	(752)
Other Employee Benefit	424	424	486	(62)
Purchased Professional/Technical Services	923	2,546	1,125	1,421
Supplies	2,023	1,324	3,000	(1,676)
Property	-	502	-	502
Other	-	100	-	100
Total Student Support Services	101,939	108,023	114,900	(6,877)



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## GENERAL FUND - CONTINUED

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Expenditures and Transfers - continued				
Instruction Support Staff				
Certified Salaries	6,014	6,347	6,347	-
Employee Insurance	1,394	1,434	-	1,434
Social Security	400	430	486	(56)
Other Employee Benefit	187	5	206	(201)
Books/Periodicals	1,059	741	1,200	(459)
Audiovisual/Instructional Software	3,875	4,223	4,250	(27)
Miscellaneous Supplies	2,535	343	3,500	(3,157)
Total Instruction Support Staff	15,464	13,523	15,989	(2,466)
General Administration				
Certified Salaries	87,014	55,255	47,000	8,255
Non-Certified Salaries	24,329	14,903	14,769	134
Employee Insurance	24,396	18,766	18,863	(97)
Social Security	8,047	5,480	4,726	754
Other Employee Benefit	636	593	362	231
Purchased Professional/Technical Services	9,883	9,842	11,000	(1,158)
Insurance	23,544	21,318	25,500	(4,182)
Communications	3,018	2,097	3,800	(1,703)
Other Purchased Services	3,295	1,744	3,300	(1,556)
Supplies	1,681	800	1,800	(1,000)
Other	8,649	9,374	9,300	74
Total General Administration	194,492	140,172	140,420	(248)
School Administration				
Certified Salaries	139,483	113,672	114,972	(1,300)
Early Retirement	1,800	1,800	-	1,800
Non-Certified Salaries	42,835	46,598	45,836	762
Employee Insurance	32,752	25,959	33,220	(7,261)
Social Security	13,478	11,893	12,302	(409)
Other Employee Benefit	1,006	1,019	1,161	(142)
Communications	3,412	3,798	4,250	(452)
Other Purchased Services	5,503	2,844	5,000	(2,156)
Supplies	651	731	710	21
Other	-	-	300	(300)
Total School Administration	240,920	208,314	217,751	(9,437)
Central Services				
Non-Certified Salaries	-	11,428	11,408	20
Social Security	-	545	872	(327)
Other	-	7	11	(4)
Total Central Services	-	11,980	12,291	(311)



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## GENERAL FUND - CONTINUED

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Expenditures and Transfers - continued				
Transfers				
Food Service Fund	26,600	1,000	10,000	(9,000)
Professional Development Fund	1,000	1,000	1,000	-
At-Risk Fund	91,728	98,226	109,011	(10,785)
Contingency Reserve Fund	8,746	150,691	-	150,691
Special Education Fund	199,750	196,511	211,874	(15,363)
Total transfers	327,824	447,428	331,885	115,543
After School				
Non-Certified Salaries	9,629	10,250	-	10,250
Social Security	726	703	-	703
Unemployment Compensation	9	9	-	9
Other	(10,791)	(11,731)	-	(11,731)
Total After School	(427)	(769)	-	(769)
Preschool				
Certified Salaries	17,550	17,175	-	17,175
Social Security	1,343	1,314	-	1,314
Other Employee Benefit	17	16	-	16
Other	(9,755)	(16,694)	-	(16,694)
Total Preschool	9,155	1,811	-	1,811
Total Expenditures and Transfers Subject to Legal Max Budget	2,021,474	2,079,310	2,110,126	(30,816)
Adjustment to Comply with Legal Max	-	-	(30,816)	(30,816)
Legal General Fund Budget	2,021,474	2,079,310	<u>\$ 2,079,310</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## LOCAL OPTION FUND

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
Ad Valorem Property Taxes	\$ 616,829	\$ 796,812	\$ 58,661	\$ 738,151
Delinquent Tax	11,270	5,071	10,451	(5,380)
Motor Vehicle Tax	32,366	47,976	22,288	25,688
Recreational Vehicle Tax	902	1,002	565	437
16/20M Vehicle Tax	1,937	1,648	-	1,648
Total Receipts	663,304	852,509	\$ 91,965	\$ 760,544
Expenditures				
Instruction				
Certified Salaries	3,666	32,739	-	32,739
Social Security	277	311	-	311
Unemployment Compensation	3	4	-	4
Other	4,643	-	-	-
Other Purchased Services - Tuition	-	2,719	2,750	(31)
Miscellaneous Supplies	-	-	2,400	(2,400)
Total Instruction	8,589	35,773	5,150	30,623
Operation and Maintenance				
Non-Certified Salaries	161,446	71,069	86,703	(15,634)
Insurance	45,127	19,738	19,962	(224)
Social Security	11,873	5,178	5,103	75
Other Employee Benefit	8,119	8,866	8,867	(1)
Water/Sewer	10,111	8,542	14,000	(5,458)
Snow Plowing	1,235	695	-	695
Heating	35,812	30,733	44,000	(13,267)
Cleaning	1,955	1,861	5,500	(3,639)
Repairs	19,712	12,455	20,000	(7,545)
Rental Services	1,411	1,095	2,000	(905)
Other Purchased Services	4,756	3,902	6,500	(2,598)
Supplies	19,783	18,918	23,000	(4,082)
Electricity	52,082	51,041	56,500	(5,459)
Motor Fuel	1,511	926	2,500	(1,574)
Total Operation and Maintenance	374,933	235,019	294,635	(59,616)



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## LOCAL OPTION FUND - CONTINUED

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Expenditures - continued				
Vehicle Operating Services and Maintenance				
Non-Certified Salaries	11,336	11,860	13,500	(1,640)
Social Security	852	888	1,033	(145)
Other Employee Benefit	280	317	325	(8)
Mileage in Lieu of Transportation	50,869	52,717	55,000	(2,283)
Insurance	3,383	3,109	3,500	(391)
Motor Fuel	15,359	13,110	17,500	(4,390)
Other	8,611	6,448	11,500	(5,052)
Other Purchased Services	376	52	550	(498)
Supplies	130	252	275	(23)
Total Vehicle Operating Services	91,196	88,753	103,183	(14,430)
Operating Transfers				
Food Service Fund	20,870	79,590	40,000	39,590
Special Education Fund	118,472	190,757	190,034	723
Vocational Education Fund	94,852	109,721	112,000	(2,279)
Total Operating Transfers	234,194	380,068	342,034	38,034
Total Expenditures and Transfers Subject to Legal Max Budget	708,912	739,613	745,002	(5,389)
Adjustment to Comply with Legal Max	-	-	(5,388)	(5,388)
Legal Local Option Fund Budget	708,912	739,613	\$ 739,614	\$ (1)
Receipts Over (Under) Expenditures	(45,608)	112,896		
Unencumbered Cash, Beginning	45,608	-		
Prior-Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	\$ -	\$ 112,896		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## CAPITAL OUTLAY FUND

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
General Property Taxes				
Ad Valorem Property Taxes	\$ 295,165	\$ 308,524	\$ 288,796	\$ 19,728
Delinquent Tax	6,010	1,999	5,009	(3,010)
Motor Vehicle Tax	17,001	24,632	11,877	12,755
Recreational Vehicle Tax	472	512	300	212
16/20M Vehicle Tax	959	922	-	922
Other				
Interest	380	420	-	420
Other	430	1,000	-	1,000
Total Receipts	320,417	338,009	\$ 305,982	\$ 32,027
Expenditures				
Instruction	109,591	10,912	129,500	(118,588)
Student Support Services	-	-	2,500	(2,500)
Instructional Support Staff	21,266	19,795	29,000	(9,205)
General Administration	-	80	5,000	(4,920)
School Administration	5,671	249	11,500	(11,251)
Operations & Maintenance	19,944	223,328	267,807	(44,479)
Equipment & Busses	62,561	24,863	65,000	(40,137)
Other Support Services	2,000	13,333	-	13,333
Site Improvement Services	21,130	35,650	23,000	12,650
Repair & Remodel Building	4,137	107,727	4,250	103,477
Total Expenditures	246,300	435,937	\$ 537,557	\$ (101,620)
Receipts Over (Under) Expenditures	74,117	(97,928)		
Unencumbered Cash, Beginning	242,790	316,907		
Unencumbered Cash, Ending	\$ 316,907	\$ 218,979		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## DRIVER TRAINING FUND

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
State Equalization Aid	\$ -	\$ -	\$ -	\$ -
Total Receipts	-	-	\$ -	\$ -
Expenditures				
Instruction				
Salaries	-	-	-	-
Social Security	-	-	-	-
Other Employee Benefit	-	-	-	-
Total Instruction	-	-	-	-
Vehicle Operation and Maintenance				
Motor Fuel	-	-	-	-
Other	-	-	-	-
Total Vehicle Operation and Maintenance	-	-	-	-
Total Expenditures	-	-	\$ -	\$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	20	20		
Unencumbered Cash, Ending	\$ 20	\$ 20		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## FOOD SERVICE FUND

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
Intergovernmental Receipts				
State Equalization Aid	\$ 2,001	\$ 1,932	\$ 1,945	\$ (13)
Federal Aid	62,019	60,192	71,441	(11,249)
Other Receipts				
Lunch/Breakfast - Students	83,562	83,490	93,037	(9,547)
Lunch Sales - Adults	5,029	4,674	4,760	(86)
Miscellaneous Receipts	2,500	-	-	-
Transfer from General Fund	26,600	1,000	10,000	(9,000)
Transfer from Local Option Fund	20,870	79,590	40,000	39,590
Total Receipts	202,581	230,878	\$ 221,183	\$ 9,695
Expenditures				
Salaries	57,357	59,809	60,011	(202)
Employee Insurance	22,559	22,226	22,892	(666)
Social Security	3,971	4,149	4,100	49
Other Employee Benefit	1,989	1,996	2,100	(104)
Other Purchased Services	2,431	2,759	2,600	159
Food and Milk	100,872	103,873	130,652	(26,779)
Miscellaneous Supplies	4,609	5,192	6,000	(808)
Other	1,040	1,210	8,121	(6,911)
Total Expenditures	194,828	201,214	236,476	(35,262)
Receipts Over (Under) Expenditures	7,753	29,664		
Unencumbered Cash, Beginning	7,540	15,293		
Unencumbered Cash, Ending	\$ 15,293	\$ 44,957		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## PROFESSIONAL DEVELOPMENT FUND

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
Transfer from General Fund	\$ 1,000	\$ 1,000	\$ 1,000	\$ -
Total Receipts	1,000	1,000	\$ 1,000	\$ -
Expenditures				
Support Services				
Purchased Professional/Technical Services	956	1,000	750	250
Other Purchased Services	44	-	250	(250)
Total Expenditures	1,000	1,000	\$ 1,000	\$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## SPECIAL EDUCATION FUND

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
Other Receipts	\$ 879	\$ 1,060	\$ -	\$ 1,060
Transfer from Local Option Fund	118,472	190,757	190,034	723
Transfer from General Fund	199,750	196,511	211,874	(15,363)
Total Receipts	319,101	388,328	\$ 401,908	\$ (13,580)
Expenditures				
Instruction				
Payment to Special Ed. Co-op	308,222	343,938	364,015	(20,077)
Total Instruction	308,222	343,938	364,015	(20,077)
Vehicle Operating Service				
Salaries	4,313	4,021	6,054	(2,033)
Social Security	299	300	463	(163)
Other Employee Benefit	4	4	5	(1)
Insurance	444	453	475	(22)
Telephone	83	16	-	16
Other Purchased Services	108	46	230	(184)
Motor Fuel	1,983	976	2,600	(1,624)
Supplies	-	27	200	(173)
Other	255	63	300	(237)
Total Vehicle Operating Service	7,489	5,906	10,327	(4,421)
Total Expenditures	315,711	349,844	\$ 374,342	\$ (24,498)
Receipts Over (Under) Expenditures	3,390	38,484		
Unencumbered Cash, Beginning	16,901	20,291		
Unencumbered Cash, Ending	\$ 20,291	\$ 58,775		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## VOCATIONAL EDUCATION FUND

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
State Equalization Aid	\$ 11,000	\$ -	\$ -	\$ -
Transfer from Local Option Fund	94,852	109,721	112,000	(2,279)
Total Receipts	105,852	109,721	\$ 112,000	\$ (2,279)
Expenditures				
Instruction				
Certified Salaries	82,780	87,658	87,658	-
Employee Insurance	9,847	9,668	10,448	(780)
Social Security	6,017	6,388	6,706	(318)
Other Employee Benefit	75	79	88	(9)
Purchased Professional/Technical Services	5,185	-	5,000	(5,000)
Other	-	4,830	-	4,830
General Supplies	1,948	1,098	2,100	(1,002)
Total Expenditures	105,852	109,721	\$ 112,000	\$ (2,279)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## RECREATION COMMISSION FUND

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
General Property Taxes				
Ad Valorem Property Taxes	\$ 36,896	\$ 38,566	\$ 36,102	\$ 2,464
Delinquent Tax	751	250	626	(376)
Motor Vehicle Tax	2,118	3,079	1,482	1,597
Recreational Vehicle Tax	59	64	38	26
16/20M Vehicle Tax	119	115	-	115
Total Receipts	<u>39,943</u>	<u>42,074</u>	<u>\$ 38,248</u>	<u>\$ 3,826</u>
Expenditures				
Recreation Commission Appropriation	<u>41,693</u>	<u>37,820</u>	<u>37,820</u>	<u>-</u>
Total Expenditures	<u>41,693</u>	<u>37,820</u>	<u>\$ 37,820</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(1,750)	4,254		
Unencumbered Cash, Beginning	<u>3,131</u>	<u>1,381</u>		
Unencumbered Cash, Ending	<u>\$ 1,381</u>	<u>\$ 5,635</u>		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## AT RISK FUND (K-12)

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
Transfer from General Fund	\$ 91,728	\$ 98,226	\$ 109,011	\$ (10,785)
Total Receipts	<u>91,728</u>	<u>98,226</u>	<u>\$ 109,011</u>	<u>\$ (10,785)</u>
Expenditures				
Certified Salaries	51,257	54,029	61,839	(7,810)
Non-Certified Salaries	18,543	19,022	19,846	(824)
Social Security	3,899	5,189	6,586	(1,397)
Other Employee Benefit	15,588	17,223	20,654	(3,431)
Other Purchased Services	<u>2,441</u>	<u>2,763</u>	<u>86</u>	<u>2,677</u>
Total Expenditures	<u>91,728</u>	<u>98,226</u>	<u>\$ 109,011</u>	<u>\$ (10,785)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**

**For the Year Ended June 30, 2015**

**(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

**KPERS FUND**

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
KPERS	\$ 164,450	\$ 160,127	\$ 200,629	\$ (40,502)
Total Receipts	<u>164,450</u>	<u>160,127</u>	<u>\$ 200,629</u>	<u>\$ (40,502)</u>
Expenditures				
Employee Benefits	<u>164,450</u>	<u>160,127</u>	<u>200,629</u>	<u>(40,502)</u>
Total Expenditures	<u>164,450</u>	<u>160,127</u>	<u>\$ 200,629</u>	<u>\$ (40,502)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## GIFT FUND

	<u>2014</u>	<u>2015</u>
Receipts		
Receipts from Local Sources	<u>\$ 851</u>	<u>\$ 82,064</u>
Total Receipts	<u>851</u>	<u>82,064</u>
Expenditures		
Other Purchased Services	300	-
Property	-	77,510
Other	<u>705</u>	<u>-</u>
Total Expenditures	<u>1,005</u>	<u>77,510</u>
Receipts Over (Under) Expenditures	(154)	4,554
Unencumbered Cash, Beginning	<u>3,347</u>	<u>3,193</u>
Unencumbered Cash, Ending	<u>\$ 3,193</u>	<u>\$ 7,747</u>



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES

## Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## TITLE I &amp; TITLE II FUNDS

	2014	2015
Receipts		
Federal Aid	\$ 28,476	\$ 28,231
Total Receipts	28,476	28,231
Expenditures		
Instruction		
Certified Salaries	20,124	19,916
Non-Certified Salaries	6,006	5,960
Employee Insurance	30	35
Social Security	1,907	1,853
Other Employee Benefit	106	23
Purchased Professional/Technical Services	303	356
Supplies	-	88
Total Instruction	28,476	28,231
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES

Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## RURAL SCHOOL ACHIEVEMENT PROGRAM FUND (REAP)

	2014	2015
Receipts		
Federal Aid	\$ 19,033	\$ 19,916
Total Receipts	<u>19,033</u>	<u>19,916</u>
Expenditures		
Instruction Support Staff		
Certified Salaries	4,600	6,667
Social Security	349	507
Employee Benefits	4	6
Purchased Professional/Technical Services	1,737	-
Supplies	2,006	46
Audiovisual & Instructional Software	9,107	11,565
Other	<u>1,230</u>	<u>1,125</u>
Total Expenditures	<u>19,033</u>	<u>19,916</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES

Regulatory Basis

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

## CONTINGENCY RESERVE FUND

	2014	2015
Receipts		
Transfer from General Fund	\$ 8,746	\$ 150,691
Total Receipts	<u>8,746</u>	<u>150,691</u>
Expenditures		
Transfer Out	-	-
Other	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	8,746	150,691
Unencumbered Cash, Beginning	<u>-</u>	<u>8,746</u>
Unencumbered Cash, Ending	<u>\$ 8,746</u>	<u>\$ 159,437</u>



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

**SCHEDULE OF RECEIPTS AND EXPENDITURES**  
**Regulatory Basis**  
**For the Year Ended June 30, 2015**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

**ATHLETICS**

	<u>2014</u>	<u>2015</u>
Receipts		
High School	\$ 38,277	\$ 43,943
Total Receipts	<u>38,277</u>	<u>43,943</u>
Expenditures		
High School	<u>36,195</u>	<u>42,610</u>
Total Expenditures	<u>36,195</u>	<u>42,610</u>
Receipts Over (Under) Expenditures	2,082	1,333
Unencumbered Cash, Beginning	<u>8,114</u>	<u>10,196</u>
Unencumbered Cash, Ending	<u>\$ 10,196</u>	<u>\$ 11,529</u>

**SCHOOL PROJECTS**

	<u>2014</u>	<u>2015</u>
Receipts		
Grade School	\$ 17,746	\$ 21,275
Total Receipts	<u>17,746</u>	<u>21,275</u>
Expenditures		
Grade School	<u>20,253</u>	<u>15,531</u>
Total Expenditures	<u>20,253</u>	<u>15,531</u>
Receipts Over (Under) Expenditures	(2,507)	5,744
Unencumbered Cash, Beginning	<u>12,157</u>	<u>9,650</u>
Unencumbered Cash, Ending	<u>\$ 9,650</u>	<u>\$ 15,394</u>



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the year ended June 30, 2015

With comparative actual amounts for the year ended June 30, 2014

## BOND AND INTEREST FUND

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Receipts				
Ad Valorem Property Taxes	\$ 371,575	\$ 391,550	\$ 362,254	\$ 29,296
Delinquent Tax	8,220	2,523	6,318	(3,795)
Motor Vehicle Tax	27,489	32,318	15,904	16,414
16/20 Motor Vehicle	1,679	1,285	-	1,285
Recreational Vehicle Tax	770	669	403	266
Total Receipts	409,733	428,345	\$ 384,879	\$ 43,466
Expenditures				
Principal	325,000	350,000	350,000	-
Interest	97,701	85,045	85,045	-
Total Expenditures	422,701	435,045	\$ 435,045	\$ -
Receipts Over (Under) Expenditures	(12,968)	(6,700)		
Unencumbered Cash, Beginning	719,110	706,142		
Unencumbered Cash, Ending	\$ 706,142	\$ 699,442		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND DISBURSEMENTS

Regulatory Basis

For the Year Ended June 30, 2015

## STUDENT ORGANIZATION FUNDS (AGENCY FUNDS)

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Cross Country	\$ 995	\$ -	\$ 430	\$ 565
DVD	1,674	250	337	1,587
FBLA	127	-	127	-
FCCLA club	5,267	40,494	37,256	8,505
Girls Basketball	120	1,197	1,126	191
High School Boys Basketball	-	4,863	3,316	1,547
Interest	298	4	-	302
Jump Start	-	2,000	-	2,000
Middle School Activities	-	666	447	219
Middle School Boys Basketball	54	-	54	-
National honor society	238	684	903	19
Pep club	1,973	4,181	4,522	1,632
Project	1,774	2,392	1,145	3,021
Project prom	298	-	298	-
SADD	1,077	180	232	1,025
Skills USA	859	4,820	5,494	185
Student council	5,218	17,987	16,731	6,474
Tennis	-	400	334	66
Track Grant	598	887	1,444	41
V-Club	419	2,158	1,567	1,010
Yearbook	-	14,582	-	14,582
Total student organization funds	<u>\$ 20,989</u>	<u>\$ 97,745</u>	<u>\$ 75,763</u>	<u>\$ 42,971</u>



## **SUPPLEMENTARY INFORMATION**



**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**For the Year Ended June 30, 2015**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Unencumbered Cash July 1, 2014</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Unencumbered Cash June 30, 2015</u>
<u>U.S. Department of Agriculture</u>						
Passed through Kansas State						
Board of Education:						
National School Lunch Program	10.555	3530-3500	-	\$ 43,888	\$ 43,888	\$ -
Cash for Commodities	10.555	3530-3500	-	10,358	10,358	-
School Breakfast Program	10.553	3529-3490	-	5,946	5,946	-
 Total Food Assistance			-	60,192	60,192	-
 <u>U.S. Department of Education</u>						
Passed through Kansas State						
Board of Education:						
Title I	84.010	3532-3520	-	15,859	15,859	-
Title II	84.367	3526-3860	-	12,372	12,372	-
 Total Title Programs			-	28,231	28,231	-
 Total All Funds			\$ -	\$ 88,423	\$ 88,423	\$ -



**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**

**SCHEDULE OF STATE FINANCIAL ASSISTANCE**

**For the Year Ended June 30, 2015**

General State Aid	\$ 1,412,163
School Food Assistance	1,932
KPERS	160,127
Special Revenue State Aid	36,634
Block Grant	136,356
School District 20 Mill Levy	298,583
Special Education Services Aid	<u>192,122</u>
Total State Financial Assistance	<u>\$ 2,237,917</u>